

**MINUTES OF THE STANDING COMMITTEE ON
TAX POLICY**

Wednesday, May 31, 2006

9:00 A.M.

Room 521 House Office Building

Chairman Sheen called the meeting to order.

MEMBERS PRESENT: Reps. Sheen, Meyer, Gosselin, Newell, Drolet, Palmer, Hoogendyk, Stakoe, Jones, Marleau, Bieda, Farrah, Miller, Meisner, Bennett, Mayes. (16/17)

MEMBERS ABSENT/EXCUSED: Rep. Zelenko. (1/17)

Representative Marleau moved to excuse absent members. **Representative Gosselin** supported the motion. There being no objection, absent members were excused.

Representative Bieda moved to approve the minutes of the May 17, 2006 and May 24, 2006 meetings. **Representative Gosselin** supported the motion. Without objection, the minutes were approved.

Chairman Sheen laid **HB 4841** and **HB 5211** before the committee.

HB 4841	Gosselin	Sales tax; exemptions; federal gasoline tax; exclude from gross proceeds.
---------	----------	---

HB 5211	Gosselin	Sales tax; collections; sales tax collection on gasoline; provide for cap.
---------	----------	--

Representative Bob Gosselin, sponsor of the legislation, testified before the committee.

Mike Bosnic, representing himself, testified before the committee in support of **HB 4841** and **HB 5211**.

Mike Pumford, representing Public Education Advocates, testified before the committee in opposition to **HB 4841** and **HB 5211**.

Ed Weglarz, representing Associated Food and Petroleum Dealers, turned in a testimony card with a neutral position on **HB 4841** and **HB 5211** but did not wish to speak.

Bill Anderson, representing the Michigan Townships Association, turned in a testimony card in opposition to **HB 5211** but did not wish to speak.

Kathleen Merry, representing Wayne Regional Educational Service Agency, turned in a testimony card in opposition to **HB 5211** but did not wish to speak.

The following people turned in testimony cards in opposition to **HB 4841** and **HB 5211** but did not wish to speak:

Summer Minnick, representing the Michigan municipal League.

Todd Tennis, representing the Amalgamated Transit Union.

Don Olendorf, representing Michigan Small and Rural Schools.

Scott Schrager, representing the Michigan Department of Treasury.

Don Noble, representing the Michigan Education Association.

Louise Somalski, representing the American Federation of Teachers of Michigan.

Matt Tomasiewicz, representing Kalamazoo, Muskegon and Ottawa Intermediate School Districts.

Chairman Sheen placed the committee at ease, the time being **9:55 a.m.**

Chairman Sheen reconvened the meeting at **9:57 a.m.**

Representative Gosselin moved to report **HB 4841**, with recommendation. **Representative Drolet** supported the motion.

FAVORABLE ROLL CALL:

YEAS: Reps. Sheen, Meyer, Gosselin, Newell, Drolet, Palmer, Hoogendyk, Stakoe, Jones, Marleau. (10/17)

NAYS: Reps. Bieda, Farrah, Miller, Meisner, Bennett, Mayes. (6/17)

PASS: None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

Representative Farrah moved to adopt the following amendment to **HB 5211**. **Representative Meisner** supported the motion.

1. Amend page 6, line 25, after the second “**GALLON**” by inserting “**IF THE TOTAL SALES TAX REVENUE COLLECTED UNDER THIS ACT IN EACH MONTH EXCEEDS BY MORE THAN THE RATE OF INFLATION THE TOTAL SALES TAX REVENUE COLLECTED IN THE CORRESPONDING MONTH 12 MONTHS PRIOR TO THE MONTH IN WHICH THE SALES TAX REVENUE IS COLLECTED**”.

UNFAVORABLE ROLL CALL:

YEAS: Reps. Bieda, Farrah, Miller, Meisner, Bennett, Mayes. (6/17)

NAYS: Reps. Sheen, Meyer, Gosselin, Newell, Drolet, Palmer, Hoogendyk, Stakoe, Jones, Marleau. (10/17)

PASS: None. (0/17)

An insufficient number of members voting in the affirmative, the motion did not prevail.

Representative Drolet moved to report **HB 5211**, with recommendation. **Representative Gosselin** supported the motion.

FAVORABLE ROLL CALL:

YEAS: Reps. Sheen, Meyer, Gosselin, Newell, Drolet, Palmer, Hoogendyk, Stakoe, Jones, Marleau. (10/17)

NAYS: Reps. Bieda, Farrah, Miller, Meisner, Bennett, Mayes. (6/17)

PASS: None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

There being no further business before the committee, **Chairman Sheen** declared the meeting adjourned, the time being 10:02 a.m.

Representative Fulton Sheen, Chair Eric Esch, Committee Clerk (517) 373-0070